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Farm Broadcasters Letter



Letter No. 2221

July 18, 1985

CCC & FCIC PAYMENTS SUSPENDED

U.S. Department of Agriculture on July 17 temporarily suspended payments through Commodity Credit Corporation and Federal Crop Insurance Corporation programs. The CCC payments were suspended because the corporation has nearly depleted its \$25 billion borrowing authority. The agency will continue to carry out all functions except check-writing. The FCIC also has temporarily suspended payments for crop insurance claims. The action was necessary because claims resulting from disastrous weather have exhausted available funds. CCC and FCIC claims will be paid after congressional enactment of the Fiscal Year 1985 Supplemental Appropriation Bill.

AG OUTLOOK

The agricultural economy is still weak, according to the U.S. Department of Agriculture. Estimates for farm income are below last year's and net cash income is forecast at \$34 to \$39 billion, down from \$37 to \$40 billion in 1984. Export forecasts are down, with export value for the first 8 months of fiscal 1985 down 13 pct. from a year earlier.

FARMLAND VALUES DOWN SHARPLY

Farmland values declined 12 pct. from April 1984 to April 1985, to their lowest level since 1979, according to the U.S. Department of Agriculture. The drop was the largest since the early 1930's, when values fell 17 pct. in 1932 and 19 pct. in 1933. During the past year, the largest declines occurred in the Corn Belt, Lake States and the Northern Plains, which incurred losses of 20 pct. or more. Values have declined 40 pct. or more from their peak levels in Nebraska, Iowa, Illinois, Indiana and Ohio.

WHO'S BUYING THE FARMLAND?

From April 1984 to April 1985, most sellers of farmland were either active or retired farmers, according to the U.S. Department of Agriculture. Nonfarmers were involved in only 20 pct. of all sales reported. More than three-fifths of the buyers were farmers who already owned some farmland. One-fourth were nonfarmers, accounting for a high proportion of the buyers in the Appalachian, Southeast, and Delta regions. Prices paid per acre averaged 25 pct. lower in 1985 than in 1984 on all reported sales. Credit was used in 82 pct. of land sales in 1985, compared with 90 pct. or more during the peak value years of 1979-81.

AG EXPORTS
DOWN

Agricultural exports during the first eight months of fiscal year 1985 (Oct. 1984-May 1985) totaled \$23.7 billion, down \$3.6 billion and 13 pct. from the \$27.3 billion exported during the same period in fiscal 1984, according to the U.S. Department of Agriculture. The largest declines were in the grains, feed, oilseeds and products sectors. Contributing to the decline are a weak foreign demand, the strong dollar, increased competition, abundant carryover stocks, and good crop prospects for the most products in 1985/86.

WORLD CROP
PRODUCTION
HIGHLIGHTS -
WHEAT

The world production of wheat for 1985/86 is estimated at a record 514.5 million tons, down 2.6 million or less than 1 pct. from last month, and virtually the same as last year. According to the U.S. Department of Agriculture, important changes from a month ago include: U.S. production is est. at 65.3 million tons, down 1.2 million or 2 pct. from last month and down 8 pct. from last year. USSR production is est. at 83 million tons, down 4 million or 5 pct. from last month but up 14 pct. from last year. European Community production is est. at 70.2 million tons, up 1.2 million or 2 pct. from last month but down 8 pct. from last year's record crop. East Europe's production is est. at 37.9 million tons, up 0.8 million or 2 pct. from last month.

WORLD COARSE
GRAIN PRODUCTION

World production for 1985/86 for coarse grains is estimated at a record 825.4 million tons, up 9.2 million or 1 pct. from last year. Some important changes according to the U.S. Department of Agriculture include: U.S. production est. at 249.5 million tons, up 5.3 million or 2 pct. from last month and 5 pct. from last year. European Community production est. at 72.4 million tons, up 1.9 million or 3 pct. from last month, but down 3 pct. from last year. E. Europe production est. at 69.6 million tons, up 1.1 million or 2 pct. from last month, down 6 pct. from last year. USSR production is est. at 95 million tons, up 0.2 million or 2 pct. from last month, but down 4 pct. from last year.

WORLD
OILSEED
PRODUCTION

World oilseeds production for 1985/86 is estimated at a record 188.4 million tons, up 2.4 million or 1 pct. from last month and last year's record, according to the U.S. Department of Agriculture. U.S. production is estimated at 59.5 million tons, down 0.9 million tons or less than 1 pct. from last month, but less than 1 pct. above last year. Foreign production is estimated at 128.9 million tons, up 2.9 million or 2 pct. from last month and 2 pct. above last year's record.

MAJOR WHEAT
IMPORTERS

The outlook for 1985/86 world wheat and coarse grain trade has declined somewhat, with this month's forecast falling to 192 million tons, according to the U.S. Department of Agriculture. There's a 1-million-ton increase in the 1985/86 Soviet wheat import forecast to 20 million tons. The 1984/85 import est. for Egypt was cut by 500,000 tons. Morocco's wheat import projection was dropped to 2.5 million tons. Brazil's wheat import forecast was dropped to 4.4 million tons. The European Community's wheat import forecast was cut to 2.2 million tons.

OUR
TELEVISION
SERVICE

CONSERVATION RESERVE PROGRAM - I...James Spitz, Office of Natural Resources and Environment, gives an overview of the conservation reserve program. DeBoria Janifer interviews. (426)

CONSERVATION RESERVE PROGRAM - II...James Spitz, Office of Natural Resources and Environment, talks about the conditions for eligibility under the conservation reserve program. DeBoria Janifer interviews. (427)

FEDERAL CROP INSURANCE UPDATE...Merritt Sprague, manager of the Federal Crop Insurance Corporation, focuses on reasons behind the new sales and service agreement and what it means to farmers. Vic Powell interviews. (428)

ANTIBIOTICS IN ANIMAL FEED - I...USDA economist Clark Burbee comments on why some people speak against the use of antibiotics in animal feed, and what scientists have discovered about this practice. Vic Powell interviews. (429)

ANTIBIOTICS IN ANIMAL FEED - II...USDA economist Clark Burbee continues his discussion on the use of antibiotics in animal feed and what studies have shown in terms of a link between animals consuming low-dose antibiotics and humans. Vic Powell interviews. (430)

WORLD SOYBEAN
PRODUCTION

The world production of soybeans for 1985/86 is estimated at 92.7 million tons, up 2 million or 2 pct. from last year, according to the U.S. Department of Agriculture. U.S. production is estimated at 51.7 million tons, up 1.1 million or 2 pct. from last year. Prices for U.S. soybeans remain weak in comparison with grains, especially corn and sorghum. Argentina's soybean production is estimated at 7.0 million tons...China's, 10 million...Brazil's, 16.4 million.

COWS DOING
JUST FINE

The average number of milk cows on farms during May was 10.984 million head, up 183,000 (1.7 pct.) since Jan. and 179,000 above a year earlier, according to the U.S. Department of Agriculture. Some additional growth in the dairy cow herd is likely through this summer, followed by an expected drop during the fall because returns above feed costs will likely be lower. Output per cow has increased from a year earlier. In May, it was 2.8 pct. larger, and for all of this year it may be 2 to 2.5 pct. more than the 12,495 pounds of 1984.

WORLD COTTON
PRODUCTION

World cotton production in 1985/86 is projected at 78.0 million bales, 3 pct. above June indications, but 8 pct. below 1984/85 output, according to the U.S. Department of Agriculture. The U.S. crop is estimated at 12.5 million bales, up 4 pct. from last month, but down 4 pct. from 1984/85. Foreign production is projected at 65.5 million bales, 3 pct. above last month's estimate but 9 pct. below last year.

U.S. FULL OF
NUTS

The 1984 season's U.S. nut production, at 858 thousand tons, was 49 pct. more than in 1983 and 25 pct. above the 1982 output, according to the U.S. Department of Agriculture.

OFF MIKE

The summer meeting of NAFB held in Washington last week had about 200 people registered. The program chairman, Tom Hoy (National Rural Electric Cooperatives Association), and his program committee put on a fine program. On Wednesday evening they went to the Czechoslovakian Embassy and all reports were they enjoyed that very much. Other activities included: A trip to Maryland's Eastern Shore included briefings on: Eastern Shore agriculture - Wye Angus cattle - aquaculture (crabs, oysters, fish, etc.). In addition to swimming pool action with photo opportunities for cameramen such as Johnny Hood, there was championship horseshoe pitching, and more than ample Maryland food. Southeast region reports their '86 meeting will be at Opryland Hotel in Nashville, Tenn. President Elect Ken Root announced plans for elaborate display on latest available technology and services for broadcasters as part of National Convention in Kansas City this November.

FROM OUR RADIO
SERVICE

AGRICULTURE USA #1468...(Weekly 13½ min documentary) An estimated 50,000 children a year are abducted by strangers in the United States. On this edition of Agriculture USA, Brenda Curtis talks to Montgomery County, Md. extension home economist Susan Morris about how to prevent this from happening.

AGRI/TAPE FARM PROGRAM REPORT #1457...(Weekly reel of news features) USDA news highlights; Soil erosion on rented farmland; Meat inspection report; Proposed ban on an antibiotic.

CONSUMER TIME #950...(Weekly reel of five 2½-3 min features) Meat safety report; The fear of child abduction; A new garden crop; A coffee break; Brand name beef?

USDA RADIO NEWS SERVICE...Tues, July 23, Weekly crop and weather reports, Farm production expenditures; Tues, July 30, Weekly crop and weather, Livestock and poultry; Wed, July 31, Agricultural prices. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. EDT each working day.


JAMES L. JOHNSON, Chief
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